

ER-8-2082

10 April 1956

**Mr. Roger W. Jones
Assistant Director for
Legislative Reference
Bureau of the Budget
Washington 25, D. C.**

Dear Mr. Jones:

I refer to your letter of 5 April 1956, requesting the comments of this Agency on a proposed bill cited as the Overseas Health and Medical Services Act of 1956.

The Central Intelligence Agency is in accord with the objectives of this legislation, and we feel that the provision of benefits of this sort to all Government employees overseas would be extremely worthwhile. You will recall that the Director of Central Intelligence Agency, on 13 April 1956, forwarded to the Congress a proposed bill to amend the Central Intelligence Agency Act of 1949, as amended. This bill, the submission of which was approved by the Bureau of the Budget, contained provisions for medical benefits for our overseas employees identical with the benefits proposed in a bill amending the Foreign Service Act which has recently been passed unanimously by the Senate. We anticipate that hearings will soon be held on our proposed legislation, and we are hopeful that the Congress will act favorably on it during this session.

Our analysis indicates that the benefits in the Administration bill are substantially similar to those which are available to our overseas employees under present law or which would be authorized under the proposals which are now before the Congress. The administrative provisions, which contemplate, among other things, an overseas Medical Board to oversee administration of the program, and which will consist of representatives of several agencies of the Government, may create certain difficulties for this Agency because of our peculiar security problem due to the special arrangements which are made with regard to the jurisdiction over our employees abroad.

We consider the provision of the Administration bill restricting benefits to citizen employees to be its most serious defect from the point of view of this Agency. Under existing law and under our proposed legislation allowances and benefits for CIA employees are available for citizens and aliens alike, and any restrictions on alien employees are prescribed by regulation.

Because of these special problems we feel that the Agency should be permitted to utilize its own authorities insofar as security reasons so dictate, and accordingly, we recommend that the repeal, in Section 13(b) of the proposed Administration bill, of Section 5(a)(5) of the CIA Act of 1949 be deleted, and that language be substituted to state that nothing in this Act shall impair or affect any authority of the Central Intelligence Agency.

Sincerely yours,

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Legislative Counsel

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IG:NS [redacted] blc

Orig. [redacted] - Addressee

2 - Signer 25X1A

2 - DD/S

1 - OGC - [redacted]

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1 - Person [redacted]

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1 - Medical [redacted]

Cleared in Substance by

CONCUR:

15/ [redacted] 15/56
Deputy Director(Support)

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Inspector General 1 May 56

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